country to produce radial tyres and what is the actual production at present; and

(b) what is the estimated increase in demand for the radial tyres in the next two years and what steps are being taken to ensure the corresponding increase in production?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRIMATI KRISHNA SAHI): (a) According to Automotive Tyre Manufacturers Association (ATMA), production capacity during 1994-95 is 12.96 lakh nos. for passenger car radial tyres and 5.5 lakh nos. for other categories of radial tyres. Production details for various categories of radial tyres are not separately available.

(b) Automotive Tyre Manufacturers Association (ATMA) has also estimated that the demand for radial tyres for the year 1995-96 would be 14.4 lakh nos. for passenger car tyres against the estimated production capacity of 16.20 lakh nos. and for other categories estimated demand would be 7.5 lakh nos. against the estimated installed capacity of 8.50 lakh nos.

Import of radial tyres by MUL and Hindustan Motors

1597. SHRI JALALUDIN ANSARI:
SHRI N. GIRI PRASAD:

Will the PRIME MINISTER be pleased to state:

(a) whether it is a fact that Maruti Udyog Ltd. and Hindustan Motors Ltd. have sought permission of Government to import radial tyres; and

(b) if so, the details and reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRIMATI KRISHNA SAHI): (a) and (b) M/s. Maruti Udyog Ltd. have submitted application for import of radial tyres for a CIF value of Rs. 11.69 crores for their Zen and Esteem models on the ground that supplies from indigenous producers of radial tyres are not adequate. M/s. Hindustan Motors Ltd. have not submitted any application for import so far.

Privatising PSUs

1598. MISS SAROJ KHAPARDE: Will the PRIME MINISTER be pleased to state:

(a) whether the Confederation of Indian Industry (CII) has recently urged Government to privatise public Sector Undertakings (PSUs) by disinvesting more than 50 per cent of equity in the P.S.Us.; and

(b) if so, the details thereof and the reaction of Government in the matter?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRIMATI KRISHNA SAHI): (a) and (b) Yes Sir. In a note on 'A privatisation strategy' submitted to the Government by the Confederation of Indian Industry (CII), the Confederation have said on the point of amount of capital that should be sold to the private sector that "majority should be the target except for some specific cases. However, in any case the Government should not hold more than 25% of equity in a privatised company. The Government can hold some stock in hand if the absorption capacity of the market (domestic market in particular) is limited or if the Government wishes to have some control on the types of investors bying shares of the company. These shares can later be sold in the market (domestic or foreign) whenever considered convenient for national interests "Government, however, do not have any proposal at present to disinvest shares of any PSU beyond 49%